

SECRET
(When Filled In)

PROJECT ACTION

SECRET CRYPTO
CATOMIC

	TYPE OF ACTION	X	FI/CI	DECLASSIFIED AND RELEASED BY			
	NEW PROJECT APPROVAL		DIVISION	CENTRAL INTELLIGENCE AGENCY			
	X AMENDMENT NO. 1, FY 1971		European	SOURCES METHOD EXEMPTION 3828			
			FIELD STATION	NAZI WAR CRIMES DISCLOSURE ACT			
	X RENEWAL FY 1972		BRANCH	DATE 2007			
			German	DESK DAO			
	EXTENSION		CASE OFFICER			DATE	6 Aug 71
	TERMINATION		ROOM NO. 4C44	BUILDING Hqs.	TEL. EXT.	RED 1582	BLACK 7858

CONCURRENCES OF DIVISIONS

ORGANIZATIONAL ELEMENT	TYPED NAME (and signature)	DATES		MEMO ATTACHED	
		IN	OUT	YES	NO
C/E/G	[Signature]				
E/BF	[Signature]	12 AUG 1971	12 AUG 1971		✓
C/E/R	[Signature]		27 Aug 71		✓
EUR/EXO	[Signature]		27 Aug 30 Aug		✓
C/E/FI- ST	[Signature]		12 Aug		✓
EUR/COPS	[Signature]		10		✓
DC/EUR	[Signature]		14/9/71		✓
C/EUR	[Signature]		17/9/71		

CONCURRENCES OF OTHER COMPONENTS

		DATES		MEMO ATTACHED	
		IN	OUT	YES	NO
SB/X/EU	[Signature]	13 Sept 71	14 Sept 71		✓
SB/PPC	[Signature]	2 Sept 71	18 Sept 71		✓
FI Staff	[Signature]	13 OCT 1971	13 OCT 1971	✓	
CI Staff	/s/		6 Oct 71		x
C/CCS/PRG	/s/		7 Oct 71		x
		ALL FUTURE ACTIONS ON THIS PROJECT REQUIRE APPROVAL OF DD/P OR ADD/P			
MPS/BG	[Signature]		20 Oct 71		

APPROVAL

	PERIOD		AMT THIS ACTION	FY	TOTAL AMOUNT
	FROM 1 Jul 70 1 Jul 71	TO 30 Jun 71 30 Jun 72			
APPROVING AUTHORITY	[Signature]				
DDP	[Signature]				DATE 22 OCT 1971

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13 OCT 1971

MEMORANDUM FOR : Assistant Deputy Director for Plans
THROUGH : MPS/BG
SUBJECT : Renewal of Project CATOMIC

1. CATOMIC is the consolidated Soviet access agent project of the [] geared to meet the target assessment, manipulation and recruitment objectives listed as Priority A-1 in the current Operating Directive [] Targets are selected from the 170 Soviet officials in the Bonn area. In FY 1972 CATOMIC will cover 24 existing assets and cost [] Funds over and above the [] programmed for the year will be absorbed in the current budget allocation of the European Division.

2. The project is expanding rapidly. As originally approved for FY 1971 it had a budget of [] and seven assets. By the end of FY 1971 it was funding 24 assets and had spent [] Part of this project action therefore is an amendment of the FY 1971 approval to authorize an additional sum of [] Of the [] requested for FY 1972, [] are to be spent on agent salaries [] and operational expenses (\$9,100). The remaining [] are earmarked for developmental activity. Average cost of under \$2,000 per access agent is reasonable for West German operating conditions.

3. A look at the 24 project assets shows that Bonn is well supplied with so called tracking agents who move on the periphery of the Soviet colony and cover the movements and contacts of our targets. Most talk to or do business with Soviets, including the designated priority targets, but the relationships have seldom been deep enough in terms of our goals. Motivating the assets has been a problem. Borrowing from the experience of the older [] access agent program, CACLOCK, [] is using the technique of maneuvering project assets into contact with selected targets, and several agents have already proven their ability to make pretext contacts. This approach will be continued, but the main emphasis will be placed on recruiting high caliber agents who already have significant contact with primary targets.

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GROUP 1
Excluded from automatic
downgrading and
declassification

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However, because of the economic affluence of West Germany and the growing sensitivity of German government and business to the use of their employees by foreign intelligence organizations, such quality access agents are harder to find than a few years ago.

4. FI/INT states that Project CATOMIC was a minimal intelligence producer in FY 1971 as its assets supplied only two disseminations and contributed to a third. Two reports concerned Soviet purchases of ironwood for unknown utilization. Increased trade relations between West Germany and the Soviet Union should improve this support project's intelligence byproduct.

5. The administration of project CATOMIC is complex because it is handled by members of [] and [] forces which overlap in functions and personnel, but it must be judged effective because the focus is on achieving a recruitment breakthrough. On the security side there have been no problems. Ten agents were polygraphed with satisfactory results. Agent meeting and emergency contact arrangements meet acceptable standards. Training is emphasized and increasing access agent candidate selectivity is noticeable. All but two of the original FY 1971 stable of 7 assets have been dropped or transferred and 20 new ones have been acquired. One of these has provided a []

6. The CATOMIC renewal request is written in conformity with regulations for a Staff review. However, and in recognition of the field's efforts it might be appropriate for future renewal requests to present more up-to-date details from the field on promising operational developments and accomplishments. ✓

7. The growing Soviet presence in West Germany with its proportionate increase in the number of GRU and KGB officers not only presents a broad target for [] recruitment operations, but makes CI and CA activity mandatory. Since the CATOMIC project provides an operational base for activity against the Soviets its expansion is justified. FI Staff recommends approval.

[]
Chief
Foreign Intelligence

Attachment
Project

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CATOMIC Project Renewal

CATOMIC-[] West Germany, unilateral Soviet operations consolidated project covering 24 existing access agents and providing for the recruitment of additional agents. Cost:

FY 1971

APPROVED

OBLIGATED

An Amendment for Project CATOMIC is requested to provide the additional sum of [] The project was originally approved in Fiscal Year 1971 for [] The additional funds are needed to provide for salaries and operational expenses of new agents recruited during FY 1971.

I. SUMMARY:

[] Project CATOMIC is the Soviet access agent project for [] It is targeted against selected personnel at the Soviet Embassy and the Soviet Trade Mission in Cologne.

II. PURPOSE:

The basic purpose of Project CATOMIC is the collection of significant operational and assessment data on selected Soviet primary targets, with emphasis on vulnerability data or susceptibility clues which could lead to recruitment or defection of intelligence sources. CATOMIC agents also facilitate, in appropriate cases, direct staff officer access to targets for advanced assessment or recruitment purposes. These objectives are listed as Priority A-1 in the current Operating Directive []

III. DESCRIPTION:

CATOMIC is the cryptonym assigned [] consolidated Soviet operations access agent project. It is designed to cover existing assets utilized against the local Soviet target and new agent prospects currently under development. Project CATOMIC is directed against officials selected from the 170 persons assigned to the Embassy and Trade Mission.

Primary project objectives will be to manipulate existing assets into contact with selected Soviet targets. At the same time, assets who do not have such contact or who temporarily lack the potential for acquiring it will be utilized to provide access to non-Soviet agent prospects. A much greater emphasis will be placed on efforts to recruit sources in contact with Soviet Primary Targets.

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IV. CHANGES:

When the CATOMIC project for FY 71 was approved, there were seven CATOMIC assets provided for therein. Recent expansion of CATOMIC activity by the [] has involved the transfer of certain active access agents to this project from other activities, has intensified the overall recruitment program. By the beginning of FY 72 [] projects having in operational status at least 24 compensated agents, receiving in salary and expending in operational expenses a minimum total of []. It is also projected that developmental activity, over a one year period and involving the acquisition of at least four new agents, will cost an estimated []. Following is a breakdown of agents currently covered under Project CATOMIC:

A. Old Assets:

The status of CATOMIC's 5 and 6 remains basically unchanged, except in the level of their operational involvement, which has increased. Status of other old assets changed as follows:

1. CATOMIC/1 was transferred [] control.
2. CATOMIC/2, terminated due to complicated personal problems which made her continued utilization inadvisable, is now living in Frankfurt.
3. CATOMICS 3 and 4 who acted primarily as LP keepers were amicably terminated when the audio operation was discontinued because the targets moved away.
4. CATOMIC/7, who is employed full time outside the Bonn area, is no longer active as a CATOMIC agent.

B. New Assets:

Since the FY 71 CATOMIC project was written, 20 agent assets have been recruited for or transferred to the project. Following is a breakdown of new assets covered under this project:

1. CATOMIC/8, the 39-year old widow of ABOGUS (CABOGUS), formerly a teacher of Russian in East Germany. Now lives in Cologne, where she teaches Russian at the University. POA was granted on 18 March 1971. CATOMIC/8 is motivated to cooperate by her long indirect

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association with JKLANCE. She serves basically as a spotter of other agent candidates with Russian language qualifications but it is planned that her duties be expanded to include tracking work.

2. CATOMIC/10 is a 26-year old female secretary-translator in a German student and scientific exchange institute. She was recruited in late 1970 and was granted an Operational Approval on 22 March 71. She has carried out several operational support tasks but lacks strong motivation at present, largely because of family problems (she is recently divorced, has a preschool age child). It is hoped that continued case officer contact can improve her motivation and operational involvement.

3. CATOMIC/12, formerly GSHOSTESS/2, is a law student who was recruited during FY 71 project year for an FI/D operation. When this operation was terminated, CATOMIC/12 agreed to the re-direction of his efforts against the Soviet target. He has carried out various operational assignments and has completed the TOEXCEL Basic Course. He was granted an Operational Approval in October 1970. He is assisted at times in his operational work by CATOMIC/11, his girlfriend, who is not otherwise active or separately compensated.

4. CATOMIC/14 (formerly CASILVER) was recruited in 1964 as a student in West Berlin. He was terminated in July 1966 when he accepted a job as political assistant with the U.S. Consulate in Duesseldorf. He was released without prejudice by the U.S. Consulate in 1969 and took a job as project promoter with a commercial television film producer. He was re-recruited in October 1970 to work on the Soviet target and was granted an Operational Approval on 17 March 1971. He now maintains solid contact with several Soviet officials and does campaign work for one of the major German political parties. Meetings are by prearrangement and both case officer and agent have telephone numbers and mailing addresses for

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emergency contact. He is met several times monthly in a Cologne safehouse and in public places. His motivation at present is largely financial.

5. CATOMIC/15, the former CACLOCK/7, has been a JKLANCE asset for nearly 16 years. He received an Operational Approval on 8 June 1957. He is targeted primarily against the Soviet target but has recently been named to head up a task force on China in a German Government-affiliated institute in which he is employed. He is met at least twice monthly in a safehouse. Both agent and case officer have telephone numbers for emergency contact and CATOMIC/15 can be reached at his home or office by mail or telegram. His motivation is his long JKLANCE affiliation and his identification with U.S. foreign policy objectives in Europe.

6. CATOMIC/17, a young Estonian-born German national, was recruited during the FY 71 project year for a FI/D operation. He was subsequently trained and directed as a neighborhood observer and a tracker. He was the moving force behind the recruitment of his wife, CATOMIC/18, who serves in a photo operation against the Soviet Trade Mission. He was granted an OA on 23 November 1970. He is met at least thrice monthly in a safehouse. Both case officer and agent have telephone numbers although meetings are usually by pre-arrangement. CATOMIC/17 is motivated to JKLANCE cooperation on financial and ideological grounds stemming from German and Soviet persecution of his parents. He has been trained in observation, reporting, security, agent communications, and LP operations, as well as photographic observation.

7. CATOMIC/18, is the 35-year old German wife of CATOMIC/17. She was recruited in early 1971 as a neighborhood observer and as an operator for the Soviet Trade Mission photographic operation. She has performed well in this task and assists CATOMIC/17 in his tracking assignments. CATOMIC/18 was given

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an SGSWIRL on 16 April 1971 and was administered a JBMINIMUM test on 9 April 1971. She was granted a POA on 6 January 71 and an Operational Approval is pending. CATOMIC/18 is met at least three times monthly, usually in a [] safehouse.

8. CATOMIC/19, the former CACLOCK/11, was turned over to [] following his transfer to Cologne by the trade ministry of his country. He performed well [] He has carried an OA since 18 April 62 and has been regularly subjected to SGSWIRL and CI review since. He remains a key figure in Berlin's exfiltration mechanism. Although he has been slow in getting started operationally in the Bonn/Cologne area, he is already on a familiar "per du" basis with two local Soviet officials. Meetings are conducted in public places, safehouses and his apartment. Both agent and case officer have telephone and mail for extraordinary contact, most meetings take place by pre-arrangement. His motivation is largely financial and his extensive background of JKLANCE affiliation.

9. CATOMIC/20, formerly CACLOCK/11A, the wife of CATOMIC/19, continues to assist CATOMIC/19 in his operational tasks. Meetings with her are conducted in connection with the meetings with CATOMIC/19, at the same times and places.

10. CATOMIC/21, a new agent acquisition, is a 35-year old German who manages two of Bonn's more prosperous night spots. Although his professional commitments restrict the time he has available for operational pursuits, he has accepted operational assignments in the Soviet field. He was granted a POA on 14 September 1970. An Operational Approval is pending. He is met most often at his place of work, although outside meetings are arranged as necessary. Both case officer and agent have telephone numbers for emergency contact; each can reach the other by telegram or mail. His motivation is an interest in intelligence work and his rapport with his case officer.

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11. CATOMIC/22 is a 29-year old female German who works as a public relations consultant in Duesseldorf. She is a new agent acquisition, having been recruited in February 1971 following receipt of a POA on 25 January 71. She has performed exceptionally well as a Soviet access agent, a role which she plays with considerable enthusiasm. Meetings are held mostly by pre-arrangement, although both agent and case officer have telephone numbers. She obviously enjoys her work, although her primary motivation is probably financial. She has been administered the SGSWIRL and JBMIMUM tests and has received considerable training in security, observation, reporting and operational contact work.

12. CATOMIC/23 is a Greek-born Romanian who is currently the manager of the Bonn outlet for a large German jewelry firm. A recent agent acquisition, he was given a POA on 19 January 1971 and has an Operational Approval pending. He has utilized his profession to initiate excellent contacts in the Soviet field, selling jewelry to members of the Soviet Embassy and Trade Mission under operationally exploitable circumstances. He is a bachelor and largely financially and ideologically motivated. He is met at least twice monthly, usually at his place of business or in restaurants. Meetings are usually conducted by pre-arrangement, but both case officer and agent have telephones for additional meeting arrangements.

13. CATOMIC/24, (formerly CAFINAL/3) a Russian born German national, was originally recruited in connection with a Soviet Trade Mission FI/D operation in the summer of 1970. He was granted a POA on 19 January 71 for use as a general support asset and as LP keeper/operator. An Operational Approval is pending. He performed his tasks during the FI/D operation satisfactorily and has assisted in several support tasks since. He retires from regular employment in July 1971 and will be available for full-time deployment at that time. He is met monthly, by pre-arrangement, at his home. Both agent and case officer have telephone numbers and addresses for telegrams and letters for extra meetings. His motivation is ideological, based on persecution by the Germans and Soviets and his financial needs.

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14. CATOMIC/25 (formerly CAFINAL/4), the wife of CATOMIC/24, was recruited during the summer of 1970 also to assist in the Trade Mission FI/D operation. Her assistance, which was vital to the successful completion of the operation, proved her to be good agent material and she was retained as an operational support asset. CATOMIC/25, an Estonian-born German national, was granted a POA on 16 June 1970, since up-dated, and has an Operational Approval pending for current utilization. She is met several times monthly; at her home, in public places, in hotel rooms, and most recently, in a safehouse which she rented. Her motivation, like her husband's, is both ideological and financial.

15. CATOMIC/26, a student of law at Bonn University and a new acquisition, has been directed mostly in the Soviet field and has performed well as an access agent against a [] primary target and as a general operational support asset. He was granted a POA on 2 November 1970 and an Operational Approval is pending. He has been trained in basic security, observation, agent communications and reporting and is scheduled to receive TOEXCEL training in the near future. His motivation seems to be largely excitement and financial, although his rapport with his previous and current case officer also plays a part. He is met at least twice monthly. Both agent and case officer have telephone numbers and mailing addresses for unscheduled contact, although meetings are generally conducted by pre-arrangement.

16. CATOMIC/27, a 24-year old female German school teacher is the girlfriend of CAEXCUSE (see below). Although a recent agent acquisition, she performed well in a pretext contact with one of Vienna's primary targets and shows promise as an access agent in the Soviet target arena. She is being trained gradually in basic tradecraft. She was granted an Operational Approval on 5 May 1971. She is met in her apartment, which is maintained as a safehouse. Her motivation is largely that she was seeking a challenging job when recruited and enjoys the niche into which she has fallen. In addition, she needs the JKLANCE remuneration which she receives.

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17. CATOMIC/28, a retired U.S. Army Colonel living in Hannover and a recent agent acquisition, is being utilized as a general support asset in this outlying sector. In addition, he is attempting to develop contacts with firms doing business with the ChiComs. He was granted a POA on 13 April 71. He will be trained as appropriate for the tasks to which he is assigned. He is met in public restaurants and at his home. His motivation is his patriotism. Both agent and case officer have telephone numbers for unscheduled contacts.

18. CASCOFF, a 39-year old former Arab diplomat currently employed as a free-lance journalist with Foreign Press Association credentials, is a re-contacted asset who was originally in contact []. He has performed well in his role as access agent and has established viable Soviet official contacts and has met a primary target. His motivation is largely financial, although an excellent rapport exists with his current case officer. He is met at least twice monthly. Meetings are by pre-arrangement, although both case officer and agent have telephone numbers and mailing addresses for unscheduled contact. CASCOFF will be re-encrypted in the CATOMIC series. His Operational Approval is being updated to include his current activities.

19. CATOPHAT/14, originally recruited because of extensive contacts with Soviet Trade Mission and Embassy personnel, through his father's firm provides [] employment for [] in addition to his access agent role. He was granted an Operational Approval on 30 June 1968. He has undergone training in assessment and elicitation techniques, in addition to basic observation, reporting and security precautions. His motivation is largely financial. He is met in the [] apartment and meeting arrangements are made through []. CATOPHAT/14 will be re-encrypted in the CATOMIC series.

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20. CAEXCUSE is a student of psychology at Bonn University and a recent agent acquisition. He has good contacts in student circles due to his part-time employment in one of the leading student clubs. He has been directed primarily in the Soviet target arena and has performed well in contact with one of the [] primary targets. He was granted an amended Operational Approval on 11 March 1970 for use as a Soviet access agent. His motivation is largely an interest in intelligence work and the financial remuneration which he receives. He is met at least twice monthly, usually by pre-arrangement at his apartment. Both case officer and agent have telephone numbers for unscheduled contact and the agent can be contacted by mail or telegram. He has been trained in agent communication, observation, reporting and psychological assessment.

The explanation for the missing CATOMIC numbers is as follows: CATOMIC/9 was recruited and terminated at his own request within a period of a few days. CATOMIC/13 was amiably terminated after a few months when it became clear he did not have the requisite capability for the objectives of this project. CATOMIC/16, an American scientist, was turned over [] and [] for handling and dropped from the CATOMIC program.

V. ACCOMPLISHMENTS:

Although Project CATOMIC is the funding mechanism for a basically operational program, the agents provided for therein have produced eight positive intelligence reports thus far this project year.

Project CATOMIC serves as a "roof" project for the agents of [] who we have directed against Soviet targets. During the project year, seven selected Soviet target personalities have been aggressively pursued by CATOMIC agents. To date, about half of the CATOMIC assets have succeeded in establishing contact with one of the selected Soviet targets, some of them with more than one target.

VI. PROBLEMS AND SECURITY:

There are no security problems during the past project year. This past project year has been primarily marked as a year of recruitments and training. Extensive training given

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both old and new assets included detailed security briefings. Increasing use is being made of safe sites and out-of-the-way places for meetings. This is especially true with those agents who have no plausible excuse for associating with WOCORKers. During the past year CATOMIC's 5, 6, 8, 12, 17, 18, 22, and 26 as well as CASCOFF and CATOPHAT-14 underwent technical interrogation with results favorable in every case. CATOMIC/15 and CATOMIC/19 had their most recent technical interviews while members of the CACLOCK project in Berlin. The rest of the assets are expected to be interviewed during the coming project year.

VII. COORDINATION:

Not applicable.

VIII. FUTURE PLANS:

Agent acquisition and the targeting of selected Soviet officials highlighted the FY 71 project year, activities which will continue to dominate CATOMIC efforts during FY 72. Plans call for acquisition of at least four additional agents, with emphasis being placed on high caliber personalities already having significant contact with primary targets. It is expected that the new agents, given the higher standards being applied, will be more expensive than those brought on board during the FY 1971 project year. The current outlook for success of these objectives is good.

IX. COSTS:

Project CATOMIC was included in the FY 1972 German Station Program for [] The balance of the funds needed will be absorbed in the current budget allocation of the Division. A breakdown of costs follows:

<u>AGENT</u>	<u>FY 71</u>	<u>FY 72</u>	<u>FY 73</u>
CATOMIC/1			
Salary	[Dropped from Project
Ops Expenses	300		
Total]		
CATOMIC/2			
Salary	[Terminated
Ops Expenses	400		
Total]		

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<u>AGENT</u>	<u>FY 71</u>	<u>FY 72</u>	<u>FY 73</u>
CATOMIC/3 & CATOMIC/4			
Salary	1,820		
Ops Expenses	330	Terminated	
Total	2,150		
CATOMIC/5			
Salary	()	()	()
Ops Expenses			
Total			
CATOMIC/6			
Salary	()	()	()
Ops Expenses			
Total			
CATOMIC/7			
Salary	()	Terminated	
Ops Expenses			
Total			
CATOMIC/8			
Salary	()	()	()
Ops Expenses			
Total			
CATOMIC/10			
Salary	()	()	()
Ops Expenses			
Total			
CATOMIC/12			
Salary	()	()	()
Ops Expenses			
Total			
CATOMIC/13			
Salary	()	()	()
Ops Expenses			
Total			
CATOMIC/14			
Salary	()	()	()
Ops Expenses			
Total			
CATOMIC/15			
Salary	()	()	()
Ops Expenses			
Total			

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CATOMIC/17			
Salary	[]	[]	
Ops Expenses	[135]	[300]	[]
Total	[]	[]	[]
CATOMIC/18			
Salary	[]	[]	
Ops Expenses	[100]	[100]	[]
Total	[]	[]	[]
CATOMIC/19			
Salary	[]	[]	
Ops Expenses	[1,269]	[600]	[]
Total	[]	[]	[]
CATOMIC/20			
Salary	[]	[]	
Ops Expenses	[100]	[200]	[]
Total	[]	[]	[]
CATOMIC/21			
Salary	[]	[]	
Ops Expenses	[184]	[200]	[]
Total	[]	[]	[]
CATOMIC/22			
Salary	[]	[]	
Ops Expenses	[350]	[600]	[]
Total	[]	[]	[]
CATOMIC/23			
Salary	[]	[]	
Ops Expenses	[135]	[400]	[]
Total	[]	[]	[]
CATOMIC/24			
Salary	[]	[]	
Ops Expenses	[170]	[300]	[]
Total	[]	[]	[]
CATOMIC/25			
Salary	[]	[]	
Ops Expenses	[123]	[300]	[]
Total	[]	[]	[]
CATOMIC/26			
Salary	[]	[]	
Ops Expenses	[135]	[300]	[]
Total	[]	[]	[]

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CATOMIC/27
Salary
Ops Expenses
Total

[135] [400] []

CATOMIC/28
Salary
Ops Expenses
Total

[100] [400] []

CATOPHAT/3 & CATOPHAT/4
Salary
Ops Expenses
Total

[250] Terminated

CASCOFF
Salary
Ops Expenses
Total

[480] [500] []

CATOPHAT/14
Salary
Ops Expenses
Total

[195] [400] []

CAEXCUSE
Salary
Ops Expenses
Total

[268] [500] []

TOTAL

[] [] []

Salaries and operational
expenses for agents
already recruited:

[] [] []

Salaries and operational
expenses for agents to be
recruited (developmental):

[] [] []

GRAND TOTAL:

[] [] []

X. FOREIGN CURRENCY:

No special need for foreign currency exists which the
Station cannot supply through its normal mechanisms.

XI. COMMITMENTS:

No special commitments have been made.

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XII. FUNDING:

Agent salaries and operational expenses are paid out of [] operational funds.

XIII. ACCOUNTABILITY:

Funds cited for the CATOMIC Project will be expended in accordance with agency regulations and will be accounted for on the monthly station accountings.

XIV. ANNEXES:

None.

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CATOMIC Production Review
1 July 1970 - 30 June 1971

1. Of the six field information reports received from sources covered by this project during the review period, two CATOMIC-5 reports were disseminated and judged initially to be substantial contributions (Quality Group Evaluation: V). The remaining four reports were not disseminated by Headquarters.

2. CATOMIC-5 produced two reports on Soviet purchases of ironwood. Although initial interest in this information because of the possible use of ironwood for submarine guides and stabilizers led to the dissemination of these reports, it has since been ascertained that the Soviets are now using hard rubber instead of ironwood for underseas use. Furthermore, OER has noted that, since ironwood is not included in COCOM lists, such purchases are of no interest to that component.

3. CATOMIC-15 (formerly CACLOCK-7) provided information for two field information reports, neither of which were given further dissemination. The first of these was based on an overt study prepared by a foreign policy institute, the intelligence value of which was too marginal to warrant publication. The second CATOMIC-15 report concerning the dialogue between Italian Communists and West German Social Democrats was based on either overt or known information.

4. CASCOFF provided information for two reports concerning NE matters. One report on the alleged purchase by the UAR of "crossing boats" was not published because the information was too fragmentary and unclear. The other report, concerning Soviet attitudes on President Sadat's purge, was not disseminated primarily because the information was considered of little significance after Podgorny's visit to the UAR.

5. The CATOMIC by-product during the review period has been of little positive intelligence value. The two reports disseminated in this period proved in the long run to be of little interest. With the development of FRG-USSR relations on the heels of a Berlin settlement, hopefully there will be more opportunity for meaningful reporting.

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